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COORDINATION, PROGRAMME AND OTHER QUESTIONS:
REPORTS OF COORDINATION BODIES

Annual overview report of the Administrative Committee on Coordination for 1996

SUMMARY

The present report provides an overview of the work undertaken by the Administrative Committee on Coordination (ACC) and its subsidiary bodies in 1996. A number of policy coordination issues are identified in the report for consideration by the concerned intergovernmental bodies.

During the year, ACC kept under review ongoing reform processes in the United Nations system and adopted a Joint Statement on reform and strengthening of the United Nations system.

African economic recovery and development also continued to be a main focus of the work of ACC. The United Nations System-wide Special Initiative on Africa was launched by ACC early in 1996. In monitoring its implementation, ACC devoted special attention to promoting effective and well coordinated support for country-level action, and to ensuring that the Initiative makes a significant contribution to meeting the objectives of the United Nations New Agenda for the Development of Africa in the 1990s (General Assembly resolution 46/151, annex).

As part of its overall effort to promote effective and integrated implementation of the outcomes of and commitments made at recent major international conferences, ACC monitored and provided guidance to the work of

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the three thematic task forces it had established in 1995 to provide coordinated support to country-level follow-up to these conferences.

ACC, through its Inter-Agency Committee on Sustainable Development, continued to monitor and implement Agenda 21, drawing on its system of task managers, and initiated system-wide preparations for the special session of the General Assembly to be held in June 1997 on the overall review and appraisal of the implementation of Agenda 21.

The work of ACC on operational activities for development, with the support of its Consultative Committee on Programme and Operational Questions, focused on the follow-up to General Assembly resolution 50/120 on the subject. ACC agreed on an advocacy statement, on behalf of the United Nations system, concerning the coordinated implementation of the resolution.

As an integral part of its contribution to the strengthening and reform of the United Nations system, ACC initiated an in-depth assessment of the experience with the functioning of ACC itself and its subsidiary machinery, as reorganized in 1993, and adopted a number of measures to further enhance its efficiency and effectiveness.

As requested by the relevant intergovernmental bodies, the present report updates information on developments regarding the assistance provided by the organizations of the United Nations system to countries invoking Article 50 of the Charter of the United Nations.

Developments in the work of ACC relating to administrative questions and financial and budgetary issues are also included in the report.

Finally, elements of the ACC programme for 1997 are identified for the information of the concerned intergovernmental bodies.

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Foreword by the Secretary-General

The present report covers ACC activities in 1966, before I assumed the office of Secretary-General.

One of my first acts, soon after taking office in January 1997, was to write to my ACC colleagues to indicate my intention to give all the necessary personal attention to my responsibilities as Chairman of ACC, and to work closely with each of them to advance the peace-building and development objectives that unite the system. I noted that the ACC is an important symbol of such unity. It should, however, be more than a symbol. It should be a policy- and action-oriented instrument geared to launching and monitoring concrete joint initiatives to accomplish common policy objectives. There has obviously been continuing progress in this direction in the past few years, as illustrated by the present report. This progress needs to be built on and furthered in the period ahead.

In all my contacts with executive heads since then, I have stressed the need for the organizations of the United Nations system to show at this critical juncture, beyond their individual accomplishments and reform efforts, also a collective capacity - a capacity as a system - for renewed cost-effectiveness and for adaptation and change.

Last April in Geneva, I chaired the first regular session of ACC for 1997. The session was attended by all of the organizations of the United Nations system, including the Bretton Woods institutions, at the executive heads' level. I was greatly impressed by the spirit of partnership and sense of common purpose that characterized the session. This spirit guided our discussion on the reform and strengthening of the United Nations system. It equally oriented our consideration of the various items on the substantive agenda of the Committee - from the strengthening of inter-agency coordination in peace-building activities for the prevention and resolution of crisis situations, to the launching of a new initiative to promote universal access to basic communication and information services. A renewed commitment to intensified cooperation was also evident in the Committee's review of the follow-up being given within the system to previous ACC decisions - from those relating to the coordinated follow-up to recent international conferences, to the United Nations System-wide Special Initiative on Africa.

We concluded that there is considerable scope for further rationalizing the division of labour within the system and for measures that can contribute to enhancing the system's impact and image. As part of this effort, we agreed on a number of new measures to strengthen the capacity of ACC to guide, at the executive level, the process of modernizing and adapting the system to a rapidly changing political, economic and social environment.

We also concluded that interaction between ACC and the central intergovernmental bodies needs to be improved. This implies a number of qualitative, as well as procedural, changes, including changes in the nature and periodicity of ACC's reporting. Specific proposals in this respect will be considered by the Committee at its next session. The Committee will also focus

at that session on measures to strengthen the system's linkages with civil society, as an integral part of the ongoing reform processes.

I expect ACC to make an increasingly critical contribution to advancing the objectives of United Nations system reform. Its contribution will be a function of the clarity of its executive decisions and the shared commitment they reflect, and of the clarity and far-sightedness of the advice that ACC provides to intergovernmental bodies.

By the way they act and cooperate in ACC, executive heads must set an example that affects the culture of, and encourages genuine teamwork among, the secretariats of the system. A new system-wide culture must emerge, based on systematic policy consultations, effective decentralization, full respect of each other's mandates and competencies, and a common appreciation of the challenges ahead and of the respective strengths of the various organizations of the system in meeting them.

This new culture at the level of the secretariats will need to be complemented by a deliberate effort within Governments to concert and coordinate the positions on both policies and programmes they take in the governing bodies of the various organizations, and by a genuine concern to ensure that such positions are framed in the broader perspective of the interests of the system as a whole, and serve to advance the system's cost-effectiveness and overall impact.

Reform will ultimately succeed only if all parties - Governments and secretariats alike - adhere to their respective responsibilities and play their roles to the full.

INTRODUCTION

1. The present report covers the work of the Administrative Committee on Coordination (ACC) for the year 1996.

2. In response to the provisions of General Assembly resolution 50/227 calling for improvements in the format of the annual overview reports of ACC, a number of changes have been introduced in the present report, which is presented in two parts.

3. Part one of the report draws the attention of the relevant intergovernmental bodies to a number of policy coordination issues that ACC addressed during its two annual sessions in 1996, including issues that have arisen as a result of its consideration of the reform and strengthening of the United Nations system, the support being provided by the system to African economic recovery and development, through the United Nations System-wide Special Initiative on Africa, the system's contribution to the coordinated follow-up to recent major international conferences, and the preparations at the system-wide level for the special session of the General Assembly of 1997 on the overall review and appraisal of the implementation of Agenda 21.

4. Part one also covers the actions being undertaken by the organizations of the system to implement Assembly resolution 50/120 on operational activities for development, as well as developments relating to the review of the functioning of ACC and its subsidiary machinery.

5. Furthermore, in accordance with a mandate of the Committee for Programme and Coordination (CPC) at its thirty-sixth session (see A/51/16 (Part I), para. 124), part one of the report includes information on assistance provided by the United Nations system to countries invoking Article 50 of the Charter of the United Nations. Administrative questions are also covered in this section of the report.

6. Part two of the report provides information on the programme of work of the Committee envisaged for 1997.

PART ONE. KEY POLICY COORDINATION ISSUES FOR CONSIDERATION BY INTERGOVERNMENTAL BODIES

I. REFORM AND STRENGTHENING OF THE UNITED NATIONS SYSTEM

7. In the context of its review of developments affecting international cooperation and development, ACC carried out, in 1996, a wide-ranging discussion on the direction of reform processes under way in the United Nations system in response to the evolving requirements and demands of Member States and of their implications for the strengthening of the system.

8. In its review, ACC took into account relevant documentation emanating from different groups of Member States, in particular the Communiqués of the ministerial meetings of the Group of 77 (A/51/471) and the Non-aligned Movement

(A/51/473-S/1996/839) and the Communiqué adopted at the G-7 Summit in Lyon, France (A/51/206-S/1996/543), as well as developments at the central intergovernmental level, including Assembly resolution 50/227 on further measures for the revitalization and restructuring of the United Nations in the economic, social and related fields, and the work of the General Assembly working groups on an agenda for development and on the strengthening of the United Nations system. In reviewing administrative and managerial aspects of the reform processes under way in the system, ACC drew on the results of a high-level meeting of the Consultative Committee on Administrative Questions (CCAQ), especially convened to prepare the ACC discussions on the subject.

9. ACC members concurred with the need for the organizations of the system to concentrate on their core areas of competence, while at the same time strengthening joint and collaborative actions. It was generally felt that this approach would maximize cost-effectiveness and, at the same time, ensure that the system is able to address in an integrated manner the growing number of interrelated, global issues requiring comprehensive solutions.

10. To the same ends, ACC considered that a more systematic use of existing consultative and inter-agency committees within the ACC machinery for prior consultations on policy and programme initiatives, as well as on the proposed work programmes of organizations, would serve to avoid unnecessary overlaps, to identify gaps, and to facilitate closer collaboration and complementarity of actions at the implementation stage, once the relevant programme budgets have been approved by the respective governing bodies.

11. ACC viewed reform as a continuing process of adaptation and change, aimed at strengthening overall effectiveness and responsiveness to changing requirements. It was noted that all organizations of the system were actively engaged in this process at the programmatic, managerial, organizational and intergovernmental levels. ACC recognized that, at the inter-agency level, it had a lead role to play in the process. Its main contribution should be to help clarify, from a system-wide perspective, the issues that need to be addressed at the intergovernmental level, to promote a clear delineation of responsibilities among the organizations of the system as part of the overall effort to enhance the system's cost-effectiveness, to strengthen inter-agency coordination and cooperation in relation to activities of common concern, and to further develop flexible modalities for joint actions on cross-cutting issues.

12. ACC underscored that the ultimate aim of reform should be to rationalize and strengthen the system's capacity to advance the strategic and interrelated goals of peace, democracy, and environmentally sustainable economic and social development. Thus, while no effort should be spared to achieve economies and to enhance cost-effectiveness, the process should not lose sight of and should help reinforce the unique character of the mission of the system - the pursuit of certain basic values and of long-term goals and objectives of development.

13. With these considerations in mind, ACC adopted a Joint Statement on reform and strengthening of the United Nations system, which is reproduced in annex I.

II. AFRICAN ECONOMIC RECOVERY AND DEVELOPMENT

14. On 15 March 1996, ACC launched the United Nations System-wide Special Initiative on Africa as a concrete expression of the commitment of the organizations of the United Nations system to enhance substantially their support for the development efforts of African countries.

15. ACC kept under review, throughout the year, on the basis of reports by its Steering Committee,[1] progress in the implementation of the Special Initiative. The Steering Committee monitored and informed ACC of progress, focusing on the contribution of the Initiative both to enhancing the system's impact at the country level and to raising the priority given to African development in the international agenda.

16. In guiding this work, ACC stressed that programme development and implementation strategies within the framework of the Initiative needed to be responsive to each country's priorities and particular circumstances and conditions, and to take into full account the role of regional intergovernmental arrangements and organizations, as well as civil society. In the same context, ACC emphasized the importance of promoting and sustaining an effective dialogue between United Nations system representatives (including the resident coordinator and the entire United Nations system country team) and Governments, civil society and the donor community.

17. In welcoming the joint initiative of the International Monetary Fund (IMF) and the World Bank to address the problems of heavily indebted countries, ACC noted that an early and effective resolution of the debt problems of African countries was a key requirement to enhancing their development prospects and would greatly contribute to the effectiveness of projects and programmes under the Initiative.

18. Executive Heads indicated their intention to utilize all relevant forums during the year - such as the Organization of African Unity Summit, the G-7 Summit, the Development Assistance Committee of the Organisation for Economic Cooperation and Development (OECD/DAC), Tidewater and the second United Nations Conference on Human Settlements (Habitat II) - to mobilize support for the Initiative on the part of African Governments and the international community as a whole. In the same context, ACC called for a strengthening of linkages between the Special Initiative and other international programmes, such as the Alliance for African Industrialization, as well as ongoing bilateral programmes.

19. A basic concern of ACC in guiding the development of the Initiative was that its added value should be clearly defined and established at both the national and international levels. ACC also sought to ensure that, in the execution of the Initiative, an effective division of labour would be established within the United Nations system, including with the Bretton Woods institutions, and that concrete implementation strategies for achieving tangible results would be developed in the various areas covered by the Initiative, in close cooperation with African Governments, at both the national and regional levels. Progress made in this respect during the year included the preparation of specific sectoral investment programmes in 13 countries in the areas of education, health, water and governance. At the same time, ACC recognized that

in respect of important aspects of the Initiative, such as sustainable livelihoods in environmentally marginal areas, poverty alleviation, human rights, population and gender issues, further programme development was required.

20. ACC directed that there should be effective networking between the Special Initiative and the mechanisms put in place to promote the coordinated follow-up to global conferences, as well as the work of its other subsidiary bodies, in order to ensure complementarity of efforts, promote synergies and avoid the creation of new mechanisms, particularly at the regional level.

21. ACC further directed that the opportunity offered by the mid-term review of the United Nations New Agenda for Development of Africa in the 1990s should be seized to reinforce linkages between the Special Initiative and the New Agenda, so that the Special Initiative could serve and be viewed as a key instrument in the implementation of the New Agenda.

22. Finally, ACC urged that the framework of the Special Initiative be used not only to strengthen ongoing development support activities, but also to bridge relief and development assistance in African countries facing civil wars and conflicts. ACC considered it important that all countries in the region should benefit from the opportunities for more concerted support by the United Nations system offered by the Initiative.

III. COORDINATED FOLLOW-UP TO RECENT MAJOR INTERNATIONAL CONFERENCES

23. ACC kept under review during the year the work of the three ad hoc inter-agency task forces[2] it had established in 1995 to contribute to an integrated system-wide approach to the follow-up to recent major international conferences. The prime objective of these task forces was to ensure that well coordinated Headquarters-level support was provided, on a thematic basis, to the United Nations resident coordinators and the United Nations country teams, so that they could, in turn, effectively assist Governments and national institutions in pursuing the implementation of conference goals and commitments.

24. ACC expressed its satisfaction at the distinctive contribution that the three task forces were making to the strengthening of concrete inter-agency collaboration, including with the Bretton Woods institutions. The Committee also noted the strong interest and support expressed by Member States for the initiative.

25. ACC decided to establish, in addition to these three time-bound task forces and its Inter-Agency Committee on Sustainable Development (IACSD), an Inter-Agency Committee on Women and Gender Equality, and requested it to address, on a comprehensive, system-wide basis, all aspects of the implementation of the Platform for Action adopted by the Fourth World Conference on Women[3] and gender-related recommendations emanating from other international conferences, as well as questions relating to the improvement of the status of women within the United Nations system. The Committee held two meetings during the year. ACC stressed that the establishment of this Committee should be

without prejudice to the systematic integration of policy objectives emanating from the Fourth World Conference on Women in the work of the three ad hoc thematic task forces and other relevant bodies within its subsidiary machinery.

26. ACC also took measures to integrate the outcome of the second United Nations Conference on Human Settlements (Habitat II) into the work of the three task forces, including in particular the Task Force on Basic Social Services for All, and directed its standing subsidiary machinery to consider the implications of Habitat II for their respective work programmes. The Committee also reiterated its request to the three task forces to effectively integrate in their work programmes relevant aspects of the follow-up to the World Conference on Human Rights.

27. Recalling that the three task forces had been conceived and established as time-bound mechanisms, ACC directed that appropriate arrangements be put in place within its subsidiary machinery to sustain the important improvements in inter-agency collaboration that had been achieved through these task forces, and to continue to monitor the use being made at the country level of the task forces' end products, after the task forces complete their work. In the same context, the Committee called upon resident coordinators to keep organizations, including those without field representation, systematically informed of relevant developments at the country level.

28. ACC also reviewed progress in inter-agency collaboration in relation to the Inter-Agency Project on Basic Communication and Information Services, for which ACC had invited the International Telecommunication Union (ITU) to act as the lead agency. Underscoring the relevance of the project to the work of the three task forces, as well as to the Special Initiative on Africa, ACC noted that the project had the particular merit of integrating science and technology considerations with social concerns.

29. Finally, the Committee addressed the requirements for inter-agency cooperation arising from the follow-up to the World Conference on Natural Disaster Reduction within the framework of the International Decade for Natural Disaster Reduction.

IV. PREPARATIONS FOR THE SPECIAL SESSION OF THE GENERAL ASSEMBLY OF 1997 ON AGENDA 21

30. ACC reviewed inter-agency preparations for the 1997 special session of the General Assembly on the review and appraisal of the implementation of Agenda 21. It requested IACSD to finalize, for its consideration, a joint statement to be addressed by the system to the Assembly at its special session and to include in such a statement the outcome of the review by ACC of the functioning of IACSD.

31. Actions taken by ACC during the year to enhance the efficiency of inter-agency collaboration in sustainable development included measures to strengthen the responsibilities of Task Managers, in respect of both the formulation of common approaches to the implementation of specific programmes areas of Agenda 21 and the development of joint policy proposals for consideration by the Commission on Sustainable Development. Other key

objectives pursued during the year included the promotion of greater interaction with the inter-agency arrangements established to follow up other recent United Nations conferences, and a systematic expansion of the system's outreach by increasingly involving other relevant intergovernmental organizations and processes, as well as partners from major groups and non-governmental organizations, in inter-agency activities for the follow-up to the United Nations Conference on Environment and Development.

V. OPERATIONAL ACTIVITIES FOR DEVELOPMENT

32. ACC, assisted by its Consultative Committee on Programme and Operational Questions (CCPOQ), continued to give priority attention to the improvement of the coherence, efficiency and effectiveness of the operational activities of the United Nations development system, with particular reference to the follow-up to Assembly resolution 50/120 on the triennial policy review of operational activities for development of the United Nations system and Economic and Social Council resolution 1996/42. ACC adopted a common advocacy statement underlining the importance of the effective and coherent implementation of these resolutions. The text of the statement is contained in annex II.

33. A plan endorsed by ACC for the implementation of Assembly resolution 50/120 was submitted to the Council at its substantive session of 1996. The plan covered the development of revised guidelines on the resident coordinator system, the country strategy notes, the programme approach, and national execution.

34. CCPOQ undertook a review and analysis of the annual reports of resident coordinators for 1995 and developed guidelines for the preparation of 1996 annual reports. A CCPOQ Working Group on the resident coordinator system addressed improvements to be introduced in the selection process and performance appraisal for resident coordinators, the extension of the initiative for a common country assessment taken in the Joint Consultative Group on Policy to the whole of the United Nations development system, the work of field level committees, and the participation of agencies without field representation in the resident coordinator system.

35. Another important concern of CCPOQ during the year was the promotion of joint training programmes and the effective utilization of the facilities of the United Nations Staff College project based at the ILO International Training Centre in Turin, Italy, as an integral part of the effort to further system-wide approaches and common action. Several field-oriented workshops and training programmes for resident coordinators and senior field staff, as well as national officials, were conducted in Turin during the course of the year.

36. CCPOQ and its Advisory Panel on Operational Activities Training continued to monitor, evaluate and improve the organization and impact of field coordination workshops for senior United Nations system field representatives and related activities, including in-country follow-up workshops and capacity-building workshops for national officials.

37. CCPOQ, in collaboration with the United Nations Development Programme (UNDP) and the International Training Centre at Turin, produced a comprehensive Operational Activities Reference Manual, covering common understandings on programming processes, the functioning of the resident coordinator system, and joint training programmes.

VI. FUNCTIONING OF THE ADMINISTRATIVE COMMITTEE ON COORDINATION AND ITS SUBSIDIARY MACHINERY

38. Following a comprehensive review of its mandate and methods of work and of the structure of its subsidiary machinery, ACC adopted in 1993 a set of principles and guidelines to govern its own functioning and introduced an extensive streamlining and reorganization of its subsidiary machinery.

39. In 1996, ACC initiated a review of the experience with the 1993 reorganization. ACC considered that its effectiveness and impact had been significantly enhanced by the adoption of more flexible methods of work and the launching of specific initiatives, such as the Special Initiative on Africa and the new task-oriented, time-bound arrangements introduced for the coordinated follow-up to United Nations conferences. Moreover, policy dialogue and concrete programme cooperation, including in particular with the Bretton Woods institutions and the World Trade Organization, had been furthered during this period through direct and more systematic consultations between executive heads and by innovative arrangements for cooperation among organizations to address specific issues of mutual concern.

40. As part of the effort to strengthen the capacity of ACC to monitor the follow-up within the system to its decisions and initiatives, a number of measures were set in motion during the year to provide more integrated secretariat support for the whole of the ACC machinery. Thus, arrangements are now in place for the co-location in Geneva of the inter-agency financed secretariats, and closer collaboration is being established between the jointly financed secretariats and concerned units of the United Nations involved in the servicing of the inter-agency machinery. Improvements in the structure and methods of work of some of the consultative and other inter-agency committees have also been introduced, including streamlining of their agendas and shortening of their meetings. The ACC Subcommittee on Rural Development has been discontinued and replaced by flexible arrangements for system-wide coordination, with a focus on the country level.

VII. ASSISTANCE TO COUNTRIES INVOKING ARTICLE 50 OF THE CHARTER OF THE UNITED NATIONS

41. At its thirty-sixth session, the Committee for Programme and Coordination requested that developments with regard to the assistance provided to countries invoking Article 50 of the Charter of the United Nations continue to be covered in ACC annual reports. The countries in question are those States which have been specially affected by the implementation of the Security Council resolutions imposing sanctions against Iraq and the Federal Republic of Yugoslavia. Related information on the measures undertaken by the United

Nations system to provide relief to the 21 affected States was first contained in the report of the Secretary-General on the question of special economic problems of States as a result of sanctions imposed under Chapter VII of the Charter of the United Nations (A/48/573-S/26705), as well as in the last four annual overview reports of ACC for the years 1992, 1993, 1994 and 1995 (E/1993/81, E/1994/19, E/1995/25, E/1996/18).

42. Eight States adversely affected by the implementation of sanctions imposed on the Federal Republic of Yugoslavia (Serbia and Montenegro) have received assistance from the different organizations of the United Nations system to assist in alleviating the adverse impact of the sanctions lifted under the terms of Security Council resolution 1074 (1996) of 1 October 1996.

43. In its resolution 51/30 A of 5 December 1996, the General Assembly, inter alia, renewed its invitation to the international financial institutions to continue to pay special attention to the economic problems of the affected States in the period following the lifting of the sanctions and to consider ways and means for mobilizing and providing resources for mitigating the continuing negative impact of the consequences of the sanctions. It also requested the Secretary-General to continue to seek information from States, regional organizations and the concerned organs and agencies of the United Nations system on action taken to alleviate the special economic problems of those States. In accordance with the resolution, the Secretary-General will report to the Assembly at its fifty-second session on its implementation.

44. In pursuance of Assembly resolution 50/51 of 11 December 1995, in particular on the implementation of the provisions of paragraph 3 of resolution 50/51 (see A/51/33, para. 55), the relevant report of the Secretary-General (A/51/317) set out the arrangements of cooperation within the Secretariat for carrying out the functions entrusted to the Secretariat under paragraph 3 of resolution 50/51.

45. By its resolution 51/208 of 17 December 1996, the Assembly requested the Secretary-General, inter alia, to ensure that the mechanism called for by its resolution 50/51 provide information and early assessments for the Security Council and its organs, at their request, about actual and potential effects of sanctions on third States which invoke Article 50 of the Charter. In accordance with resolution 51/208, the Secretary-General will submit to the Assembly at its fifty-second session a report on its implementation.

VIII. ADMINISTRATIVE QUESTIONS

A. Personnel and general administrative questions

46. Administrative questions of common concern addressed by ACC in 1996, with the support of its Consultative Committee on Administrative Questions (CCAQ), included management reform, the common system of salaries and allowances, the role and functioning of the Joint Inspection Unit (JIU), and the security of United Nations staff and associated personnel.

1. Management reform

47. In preparation for the ACC discussion on the overall direction of the reform processes, a high-level meeting of CCAQ was convened to review the managerial and budgetary aspects of the reform initiatives under way in the United Nations system.

48. The Committee noted that managerial reform was an ongoing process in most of the organizations of the system, both as part of a continuing effort to enhance cost-effectiveness in the management and delivery of programmes and as the result of new policy and programme orientations.

49. In addition to improving programme delivery, the management reforms under way in the system cover a wide range of objectives and areas, including enhancing staff performance; realignments, adjustments and/or reductions in staffing requirements to meet new operational requirements and enhance organizational efficiency; improvements in contracting or appointment practices; decentralization - both hierarchical and geographical - of decision-making and administrative processes; delegation of authority and the strengthening of accountability of programme managers; the introduction of more cost-effective arrangements for travel; the augmentation of income, including cost recovery applications for services provided; and reductions in the number and length of meetings and in the volume of the documentation prepared for such meetings.

2. The common system of organizations of the United Nations system

50. ACC reiterated its concern at the declining competitiveness of United Nations staff remuneration and again stressed the need to restore competitive conditions of service.

51. In calling for improvements in the functioning of the International Civil Service Commission (ICSC), ACC stressed that, at this critical juncture in the evolution of the system, it was more essential than ever to have an effective and innovative international civil service commission responsive to the changing needs of organizations that could contribute to the system's capacity to keep pace with new trends in human resource management, including the introduction of a competitive and more flexible, responsive and economical pay-setting system. In the same context, ACC reiterated its concern at the continuing impasse regarding the participation of staff representatives in the work of ICSC.

52. ACC adopted a statement on conditions of service, the text of which is contained in annex III.

3. Joint Inspection Unit

53. ACC also addressed, from an inter-agency perspective, the functioning of JIU. The Committee requested the United Nations to invite the General Assembly, on behalf of ACC, to institute an independent review of the role and functions of JIU, focusing on the relevance, effectiveness and cost-efficiency of JIU

studies, including recommendations on the future role of JIU, the optimum resources needed to fulfil that role and the opportunities provided by outsourcing studies. Meanwhile, ACC reiterated its request that the JIU observe zero nominal budgetary growth.

4. Security of the staff and associated personnel of the United Nations system

54. Concurring with the views and recommendations of the Ad Hoc Inter-Agency Meeting on Security, ACC reiterated the need to achieve the greatest possible degree of inter-agency coordination in furthering the security of staff and associated personnel in the United Nations system. ACC welcomed the additional measures being introduced, as reflected in the Field Security Handbook, to strengthen security management and improve security preparedness. Concern was expressed at resource limitations constraining effective security arrangements at the inter-agency level and, in particular, at the field level.

B. Financial and budgetary issues

55. ACC, through the Consultative Committee on Administrative Questions (Financial and Budgetary Questions) (CCAQ(FB)), kept under review the evolution of the financial situation in the United Nations system. Work also continued at the inter-agency level for the development of common accounting standards and harmonized formats of financial statements.

56. A statistical report on the budgetary and financial situation of the organizations of the United Nations system covering the biennium 1994-1995 was submitted to the Assembly at its fifty-first session (A/51/505).

57. The critical financial situation of the United Nations remained a matter of serious concern for ACC members. Despite efforts by a number of Member States to pay their outstanding contribution and consequent intermittent improvements in cash flow situation, the financial health of the Organization remained critical. As at the end of 1996, the United Nations had an overall cash balance of $678.0 million, of which a negative balance of $196.5 million related to the combined General Fund, $843.0 million to peacekeeping operations and $31.5 million to international tribunals. As at 31 December 1996, 98 Member States had paid their 1996 regular budget assessments in full. The total unpaid assessments at the end of 1996 stood at slightly less than $2.2 billion, of which $510.7 million related to the regular budget, $1,633.0 million to peacekeeping operations and $7.5 million to international tribunals.

58. A report of the Secretary-General on the development and application of common accounting standards together with plans for future work was presented to the Assembly at its fifty-first session (A/51/523).

PART II. ELEMENTS OF THE PROGRAMME OF WORK OF ACC FOR 1997

59. The Committee's work programme in the period ahead will, inter alia, focus on the items of the substantive reform agenda identified in the ACC Joint Statement on reform and strengthening of the United Nations system (annex I). These include the strengthening of the system's early warning capacity in conflict situations and the reinforcement of inter-agency coordination in the whole area of peace-building; the implications of liberalization and globalization; concerted action towards poverty eradication; the international response to global environmental threats; and the strengthening of the United Nations system's links with civil society.

60. The Committee will also continue to monitor progress in the implementation of the System-wide Special Initiative on Africa, with special attention to the contribution of the Initiative as an implementing mechanism of the United Nations New Agenda for the Development of Africa in the 1990s and the strengthening of linkages between the Special Initiative and related international and bilateral programmes.

61. The Committee will also undertake a comprehensive review in 1997 of progress within the United Nations system in promoting coordinated follow-up to recent international conferences. The ongoing review of the functioning of the ACC machinery, as an integral part of the contribution of ACC to the overall reform process, is also expected to be completed during 1997.

62. ACC will also review and act on recommendations by the Inter-Agency Committee on Women and Gender Equality with regard to the system-wide implementation of the Platform for Action adopted at the Fourth World Conference on Women and the promotion of gender equality, including the improvement of the status of women within the United Nations system.

63. Preparations for the five-year review of the implementation of the Vienna Declaration and Programme of Action (see A/CONF.157/24 (Part I), chap. III) and the observance of the fiftieth anniversary of the Universal Declaration on Human Rights, both of which will take place in 1998, will also feature prominently on the work programme of ACC during 1997.

64. The follow-up within the system to the study undertaken by Ms. Graça Machel on the impact of armed conflicts on children (A/51/306 and Add.1) and General Assembly resolution 51/77 on the rights of children, in particular the sections of the resolution dealing with armed conflict, refugee and internally displaced children, are likewise expected to be given special attention by ACC during 1997.

65. In the area of administrative and personnel questions, ACC will continue to give attention to the reinvigoration of the international civil service and the role and functions of JIU.

66. In the area of financial and budgetary questions, ACC will continue to monitor the financial situation of organizations and to consider the potential for further productivity improvements and management reform. ACC will also

endeavour to further cooperation among the organizations of the United Nations system in the use of the Integrated Management Information System for administrative operations and reporting.

Notes

[1] The Steering Committee is co-chaired by the Administrator of the United Nations Development Programme (UNDP) and the Executive Secretary of the Economic Commission for Africa (ECA), and includes the International Labour Organization (ILO), the Food and Agriculture Organization of the United Nations (FAO), the United Nations Educational, Scientific and Cultural Organization (UNESCO), the World Health Organization (WHO), the World Bank, UNDP, the United Nations Environment Programme (UNEP), the United Nations Population Fund (UNFPA), the United Nations Children's Fund (UNICEF), ECA and the Department for Policy Coordination and Sustainable Development of the United Nations Secretariat. All coordinating or cooperating organizations in the Initiative are invited to participate in the work of the Steering Committee.

[2] Task forces on: Enabling environment for social and economic development, with the World Bank as lead agency; Employment and sustainable livelihoods, with the ILO as lead agency; and Basic social services for all, with UNFPA as lead agency.

[3] Report of the Fourth World Conference on Women, Beijing, 4-15 September 1995 (United Nations publication, Sales No. 96.IV.13), chap. I, resolution 1, annex II.

[4] Report of the United Nations Conference on Environment and Development, Rio de Janeiro, 3-14 June 1992, vol. I, Resolutions adopted by the Conference (United Nations publication, Sales No. E.93.I.8), resolution I, annex II.

ANNEX I

ACC Joint Statement on reform and strengthening of the United Nations system

1. The Secretary-General and the executive heads of all the specialized agencies and United Nations programmes and funds, meeting under the Secretary-General's chairmanship during the second regular session of 1996 of ACC (New York, 25 and 26 October 1996), reviewed the overall direction of ongoing reform processes within the United Nations system and their implications for the strengthening of the system.

2. They reaffirmed their individual and collective commitment to pursuing and intensifying the reform effort in order to strengthen effectiveness and impact in meeting the changing requirements of Member States.

3. The organizations and bodies of the United Nations system have been responsive to the changing international environment and the evolving demands of Member States. They have reviewed policy orientations, both individually and collectively, and are redefining priorities and refocusing programmes and activities, while at the same time enhancing efficiency and cost-effectiveness.

4. Central to their efforts are the far-reaching management reforms being introduced in the organizations and bodies of the system. Significant intergovernmental reforms and other organizational changes are also being actively pursued, including reviews of mission statements and strategies and progress in streamlining intergovernmental structures and processes to reduce costs and increase efficiency. Information on all such processes is being shared and will be disseminated throughout the United Nations system, which should help to ensure that they are mutually supportive, that their implications for other organizations and bodies are identified and taken into account, and that best practices are institutionalized and drawn upon system-wide.

5. ACC wishes to emphasize the importance of ensuring that intergovernmental reforms progress in parallel with managerial and other organizational reforms. Secretariat and intergovernmental reforms should draw strength from each other and influence each other's course in a positive way. As the experience of a number of organizations shows, that is crucial to ensuring that the reform process genuinely contributes to overall organizational effectiveness.

6. At the inter-agency level, ongoing measures to enhance programme complementarity are being accompanied by renewed efforts to identify and focus on common priority objectives and priority themes, to develop joint arrangements to respond to emerging requirements, and concert overall policies and strategies. The strengthening of country-level coordination and of country-level impact is a key objective and measure of those efforts.

7. With the adoption of clear principles to guide its work and more focused, policy-oriented agendas, the effectiveness of ACC itself - as the only forum bringing together the executive heads of all organizations and bodies of the United Nations system, under the chairmanship of the Secretary-General - is

being progressively strengthened in pragmatic ways. The structures of the inter-agency mechanisms supporting the work of ACC and their working methods, including increased use of modern communication technology, have been streamlined and improved. Such measures are assisting ACC not only in responding more effectively to system-wide policy guidelines emanating from the central intergovernmental bodies, but also in taking new inter-agency initiatives on key global priorities, and will be pursued and deepened in the period ahead. They include the decentralized methods of work put in place for the follow-up to Agenda 21; the United Nations System-wide Special Initiative on Africa; and the flexible arrangements, including time-bound inter-agency task forces, that have been introduced to support country-level actions on a thematic, coordinated basis, to implement the results of recent global conferences. A growing number of joint mechanisms expected to contribute to greater system-wide impact have also been launched, such as the Global Environment Facility, and the Joint and Co-sponsored United Nations Programme on HIV-AIDS, both of which are intended to take advantage of existing synergies while avoiding institutional proliferation.

8. A common challenge facing the system in an environment of growing budgetary constraints is to preserve programme delivery while refocussing programme priorities in response to changing demands. Cost-effectiveness, the most productive use of funds, and maximizing the resources devoted to the delivery of programmes and services of direct benefit to countries are and will continue to be major concerns of the executive heads. At the same time, it must be emphasized that the ultimate objective of reforming and revitalizing the system is not about cost-cutting but about effectiveness and responsiveness. The effort will ultimately succeed only if it is accompanied by sound and predictable funding for programmes and activities.

9. The peace-building and development objectives of the United Nations system require a long-term perspective. The impact of reform measures should be assessed in the same perspective, and should not be measured only in the short term. Effective reform is a process, not an event. The consensus achieved at recent global conferences is providing new impetus for revitalizing international cooperation for development, and is introducing a coherent framework for system-wide action in support of development that should be viewed as an integral component of the reform process.

10. The present movement to strengthen and reform the United Nations system is driven by a confluence of changes in the political, environmental, economic and social domains that are rapidly and fundamentally changing the international context. The reform agenda of the United Nations system must be organized around substantive objectives, and should have as its main objective the strengthening of its capacity to respond effectively to the new challenges confronting the international community. ACC recognizes its responsibility to contribute actively to this process. It will do so by helping to clarify the issues that need to be addressed from a system-wide perspective, formulating appropriate policy advice to facilitate inter-governmental decisions, and deepening system-wide coordination and cooperation, thereby demonstrating that the organizations of the system can work together in a coherent and cost-effective manner to meet the changing needs of Member States.

11. ACC has identified a number of broad objectives around which it intends to focus its contribution to the reform process in the period ahead. Among them are:

(a) Enhancing the capacity of the United Nations system to address effectively the challenges arising from the new types of conflicts and the complex emergencies that characterize the post-cold war period. Special attention will be paid to strengthening the system's early warning capacity and reinforcing inter-agency coordination in situations where peacemaking and peacekeeping are to proceed in parallel with emergency relief, reconstruction and the resumption of economic and social development. Renewed efforts are also required to provide system-wide support for the process of disarmament, including verification, and to give new impetus to controlling conventional weapons and arms trafficking, and curbing the production and spread of landmines with a view to their ultimate banning;

(b) A renewed system-wide effort to address the implications of globalization and liberalization in the world economy, bearing in mind the major new opportunities being opened up for trade and investment and for information and technology flows, but also bearing in mind the risks of marginalization of the poorest countries and the poorest groups within countries. These issues are central to the arrangements for enhanced cooperation being developed within the United Nations system, such as arrangements among the United Nations Conference on Trade and Development (UNCTAD), WTO and the Bretton Woods institutions in the trade and finance area; between UNCTAD and the United Nations Industrial Development Organization in the investment area; and among the financial and trade institutions, ILO, and other concerned specialized agencies and United Nations programmes and funds on links between trade and finance and social development. Accelerating the development of instruments and structures to ensure that all countries maximize their benefits from globalization and strengthening technical cooperation and other support for capacity-building in these areas will be important objectives of the system in the period ahead;

(c) Mobilizing and concerting the contribution of the system to the overarching goals of poverty eradication and people-centred sustainable development in key areas, such as the elimination of hunger and malnutrition, social development and social integration, the environment, health, education, employment and sustainable livelihoods, population, shelter, gender equality and the special needs of children. Mainstreaming a gender perspective and contributing to advancing the status of women in society is a crucial dimension of that effort:

(i) The United Nations system is uniquely placed to develop international standards and legal norms and to support international conventions to attain the specific objectives set by the international community in these areas, to marshal the responses required to advance the comprehensive agenda of policies and measures agreed upon at recent global conferences, and to contribute to the creation of an international environment supportive of growth and sustainable development;

(ii) Special attention will be given to strengthening the advocacy role of the United Nations system in promoting effective national action towards poverty eradication and people-centred sustainable development, and to enhancing the cost-effectiveness and coherence of the support provided by the system at the country level, through such mechanisms as the resident coordinator system;

(d) Support for the promotion of effective democratic governance and respect for human rights, including a coordinated system-wide response to the follow-up to the World Conference on Human Rights, and a concerted response to the demands being placed on the system in new areas of institution-building;

(e) Promoting the further development of international environmental law and mobilizing an effective international response to global environmental threats, through innovative mechanisms and cooperative arrangements to address key concerns, such as climate change, ozone depletion, desertification control and the preservation of biological diversity, and meeting new challenges in the areas of energy and transport;

(f) Mobilizing an effective system-wide response to the rise of global problems, such as drug trafficking and abuse, and emerging and re-emerging diseases both by enhancing the effectiveness of existing joint programmes and by introducing new dimensions in existing policies and programmes;

(g) Strengthening support for development cooperation in the new international environment by helping redefine its goals and priorities and reinvigorating public support for its financing and by catalysing the role of the private sector;

(h) Strengthening the system's links with civil society and enhancing the relevance of existing cooperative arrangements with non-governmental actors to the overall effort towards democratization in international relations and international cooperation as well as to the promotion of poverty eradication and sustainable development.

12. Heads of State and Government, gathered on the occasion of the fiftieth anniversary of the United Nations, pledged to give to the twenty-first century a United Nations equipped, financed and structured to serve effectively the peoples for which it was established.

13. The present international context offers unprecedented opportunities for growth and development and for realizing the objective of promoting social progress and better standards of life in larger freedom that lies at the heart of the missions of the organizations of the United Nations system. At the same time, new global challenges are emerging. They require comprehensive solutions that the organizations and bodies of the United Nations system, working together with unity of purpose, are uniquely equipped to advance.

14. The basic objective of the reform processes under way is to adapt the functioning of the United Nations system to those challenges so that it can respond to them with maximum impact and cost-effectiveness. The executive heads are committed to this effort and appeal to Member States, in providing policy

guidance to these processes, to ensure that their efforts are geared to a genuine strengthening of the capacity of the United Nations system in the service of humanity.

ANNEX II

ACC Statement on the implementation of General Assembly resolution 50/120

1. ACC recognizes the crucial role that the United Nations system can play in sustaining developing countries in their efforts to take the lead in the management of their development process. All members of ACC commit their secretariats to effective cooperation among them and with their national counterparts, with a view to achieving consistency and efficiency in the United Nations system response to this most pressing challenge.

2. In this context, ACC attaches the highest importance to the effective and coherent implementation of General Assembly resolution 50/120, which builds on Assembly resolution 47/199 and represents a further practical step in the process of reform of the operational activities for development in a number of key interrelated areas, including the effective governance of such activities, their predictable and assured funding commensurate with the increasing needs of developing countries, and the promotion of greater efficiency and coherence in their programming, delivery and management, especially at the country level.

3. ACC will continue to take all necessary steps to ensure that the United Nations system provides recipient countries the best possible support in their development efforts. To this end, ACC, and its member organizations mandated to undertake operational activities for development are determined to strengthen further their collaboration through the resident coordinator system, and to ensure the full and coherent implementation of all provisions of Assembly resolutions 50/120 and 47/199, particularly those which have a direct bearing on the effectiveness of United Nations system development cooperation at the country level.

4. ACC will take the required steps to implement resolution 50/120 in a fully coordinated manner, as outlined in the management plan to be prepared in accordance with paragraph 52 of the resolution, which the Secretary-General will submit to the substantive session of the Economic and Social Council for 1996. In proceeding with the implementation of the resolution, account will be taken of the decisions emanating from the Council and other relevant governing bodies.

5. Through its Consultative Committee on Programme and Operational Questions and other mechanisms, ACC will issue updated guidelines on the functioning of the resident coordinator system, reflecting fully the experience acquired so far and addressing all actions called for in paragraphs 36 to 43 of Assembly resolution 50/120. The members of ACC mandated to undertake operational activities for development will pursue the strengthening of this system, inter alia, through clear instructions to the country representatives and support to the coordination function at the country level. The Secretary-General, in his capacity as Chairman of ACC, will instruct resident coordinators, with the support of the Special Coordinator for Economic and Social Development, on measures to strengthen the resident coordinator system.

6. ACC attaches particular importance to ensuring that all parts of the United Nations system work on the basis of a mutually agreed common understanding of the principal components of Assembly resolution 50/120. To this end, a series of updated and inter-linked guidelines will be developed on the country strategy note process, programme approach, national execution and the functioning of the resident coordinator system. Moreover, the work of the ACC task forces concerned with the coordinated follow-up to international conferences will be translated into operational guidance for the resident coordinator system. In this connection, the further improvement of the country strategy note process, in line with the provisions of resolution 50/120, will be given particular attention. ACC is committed to providing full and coordinated support to the country strategy note process and to ensuring cooperation with and support to this process under the leadership of the resident coordinators.

7. ACC will undertake action to strengthen the monitoring and evaluation of operational activities and to achieve the impact assessment called for by paragraph 54 of Assembly resolution 50/120. Greater effort will be devoted to harmonizing various procedures and simplifying the requirements placed upon recipient countries, while at the same time strengthening accountability capacity.

8. In order to achieve an optimal use of available resources, efforts will continue and will be enhanced towards the sharing of various services at the country level and common premises, whenever feasible and cost-effective.

ANNEX III

ACC Statement on conditions of service

1. The basic tenets of the Charter of the United Nations on the international civil service are unambiguous: "The paramount consideration in the employment of the staff and in the determination of the conditions of service shall be the necessity of securing the highest standards of efficiency, competence, and integrity" (Art. 101, para. 3).

2. The far-reaching transformations taking place in the world and the unprecedented demands being placed on the United Nations system have greatly widened the missions of the United Nations organizations and have led to an unparalleled expansion of the responsibilities of their staff. New, often very complex tasks, in insecure living/working environments, especially for staff employed by humanitarian agencies, and mobility in both function and location are the main features of the current work of the international civil service.

3. Now more than ever, in order to meet the increasing demands of the international community for the United Nations system, it is essential to have a reinvigorated international civil service of the highest calibre. ACC has repeatedly stressed the critical need, to this end, to restore competitive conditions of service that would enable the organizations of the system, in their diversity, to attract and retain staff of such calibre.

4. Most organizations are operating at present under conditions of serious financial constraints and uncertainty. Many are undergoing major reforms and restructuring processes. Restoring competitiveness in conditions of service must be viewed as an integral part of this necessary process of reform, and a key requirement in the search for enhanced productivity and greater cost-effectiveness.

5. In its statement addressed to the General Assembly last year in connection with its examination of the report of the International Civil Service Commission (ICSC), ACC stressed that current uncertainties, in respect of both predictable financing and conditions of service, risked undermining meaningful reform and the effective delivery of programmes and services to Member States. ACC urged the General Assembly to adopt the recommendations of ICSC to bring the current margin of remuneration level to the mid-point of its range, and to restructure the salary scale to correct existing imbalances. At the same time, as part of a longer-term strategy to restore competitiveness, ACC members sought action to update the application of the Noblemaire Principle in order to reflect the current realities of the global labour market, and to introduce innovations that would help to motivate staff, reward quality of performance and better reflect the dynamics of organizational change.

6. While regretting the decision of the General Assembly, at its fiftieth session, to postpone action on these recommendations, ACC understands the circumstances surrounding that decision. ICSC has now completed the re-examination of its 1995 recommendations, as requested by the General Assembly. It has reconfirmed its technical recommendations related to the

measurement of the margin and with regard to the national civil service comparator. The Executive Heads fully endorse these conclusions. They also strongly support the Commission's decision, as a consequence, to go forward with its recommendation to restore the margin of United Nations to United States net remuneration to its desirable mid-point. Under the methodology approved by ICSC, this is the second year in succession that net remuneration remains below the lower limit of the range 110 to 120 established by the General Assembly in its resolution 40/244 of 18 December 1985.

7. In the period ahead, it appears increasingly important that there should be simultaneous movements on two fronts: the active, continuing pursuit of efficiency, enhanced performance, including managerial performance, and structural and management reform; and an equally active pursuit by ICSC of the measures required to restore competitive conditions of service, through the rebuilding of the Noblemaire Principle. Both of these objectives are part of the established policy of the General Assembly. They both must be pursued vigorously and in a mutually reinforcing way.

8. The grave financial situation which the system is undergoing remains of the utmost concern to the Executive Heads. The search for solutions to the financial crisis must be given the utmost priority by the membership. Meanwhile, at the level of the secretariats, no efforts are being spared towards improved management, as well as cost containment, in the face of long-standing budgetary constraints. The system's record in this regard is well established. These efforts will continue in the period ahead. Key conditions for their ultimate success will be flexibility and innovation in staff management and the capacity to attract, motivate and retain the best performers, so as to continue to adhere to the Charter with regard to the international civil service. ACC is confident that the membership, as represented in the General Assembly, will demonstrate renewed commitment and support for these essential efforts.

9. In urging that action on the ICSC recommendations be taken at the current session, members of ACC reiterate their responsibility for the management of the cost structure of their organizations, as stated in the ACC submission on the subject to the fiftieth session of the General Assembly. Also, as indicated in that statement, modalities and arrangements for implementation may need to vary from organization to organization, in consultation, as necessary, with the respective governing bodies, taking into account resource constraints while fully safeguarding programme resources.

10. By acting on the immediate measures recommended by ICSC and giving clear direction towards the longer-term requirement of restoring the competitive edge of the United Nations system remuneration, the General Assembly would give a clear signal of encouragement and support for ongoing efforts, within the framework provided by the common system, to retain staff of the highest calibre and enhance the motivation and performance of staff, as well as for the broader processes under way aimed at managerial reform and maximizing efficiency, productivity and cost-effectiveness, to which all Executive Heads are strongly committed.

11. Another requirement for progress on these fronts is the full participation of all partners in the ICSC consultative process. In a period of budgetary

cutbacks and other measures affecting job security and conditions of service, and at a time of deepening reforms, when Executive Heads are endeavouring to introduce significant organizational change, it is particularly important that the concerns of staff be articulated at all levels, including that of ICSC. The absence of a dialogue with the Coordinating Committee for Independent Staff Unions and Associations of the United Nations System and the Federation of International Civil Servants Associations in ICSC constitutes an important gap in this regard and a serious obstacle to improving governance and management of change in the common system.

12. ACC would also wish to take this opportunity to reiterate its previous recommendations concerning other aspects of the functioning of ICSC.